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**FOR IMMEDIATE RELEASE**

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**FUEL TECH RESPONDS TO MERRIMAN CURHAN FORD & CO. REPORT**

**BATAVIA, Ill., Jan. 7, 2008** – On December 13, 2007, Merriman Curhan Ford & Co. (MCF) issued a report on Fuel Tech, Inc. (Nasdaq: FTEK) that was based on and quoted extensively from “an independent study involving a panel of industry experts.” This “independent study” was performed by Panel Intelligence, LLC, a wholly owned subsidiary of MCF. The study was made available the following week and seven anonymous panelists were quoted extensively.

Fuel Tech has identified and contacted most of these panelists and a few of them (or their management) have agreed to go “on the record” with the truth about this report from MCF’s Panel Intelligence. Here is what they have to say:

Two of the panelists were from Breen Energy Solutions and its subsidiary, Quinapoxet Solutions. Writing on their behalf is Mr. Ben Breen, President of Breen Energy Solutions:

“My intentions in joining the ANTI-FOULING PANEL were to contribute my expertise to the technical evaluation and assessment of the viability/validity of processes and products involved in:

1. Nitric Oxide emissions reduction from power plants (particularly SNCR technology) and
2. Anti-slag and anti-fouling (additive technology) with-in these same power plant boilers.

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Since 1964, I have conducted research and development and formed several nationally/internationally recognized Companies operating successful businesses in these two fields.

Overall, I feel I was misled as to the nature and purpose of this report which seems to have focused on minimizing Fuel Tech market potential and on the effectiveness of their technologies.

The market potential for the SNCR technology is measured in hundreds of units and hundreds of millions of dollars, far beyond what one of the panelists suggested as merely ten units. That suggestion seemed unrealistically or purposefully negative. SNCR market potential can be further expanded with technological advancements involving feed-back of operating information; such as Temperature and the Ammonium-bi-Sulfate probe which my Company, BES, has developed and currently markets.

Similarly the comment from one panel member that maximum market penetration of boiler anti-slagging fuel additives has already occurred is absurd. I believe the current market penetration can be greatly expanded, especially if instrumentation to monitor real time firing to optimize soot-blowing and chemical injections is effectively deployed. Additionally, Fuel Tech Fuel Chem process dramatically reduces SO<sub>3</sub> issues but could be enhanced further with real time SO<sub>3</sub> feedback controls. We are actively working in both of those instrumentation areas.

My Company consults and performs services in these fields and no better reference for the Fuel Tech technology is that we work to complement their technology whenever possible.”

The panelist that had the most negative things to say about Fuel Tech was panelist number 6, identified in the report as a “Manager” at Westar Energy. That person was Mr. Terry Maddox and here is what Mr. Doug Sterbenz, Executive Vice President & Chief Operating Officer of Westar Energy, writes about this:

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“In the Panel Intelligence transcript, Mr. Maddox is identified as a “Manager” employed by Westar Energy. We believe this description may lead a reader to conclude that Mr. Maddox was authorized by Westar Energy to make the statements included in the transcript and that Westar Energy vouches for the accuracy and veracity of the statements made by Mr. Maddox. We want to be absolutely sure you understand this is not the case. Westar Energy did not authorize Mr. Maddox to participate in the Panel Intelligence panel discussion or to make any statements about your company or its products in the panel discussion, and Mr. Maddox’s taking these actions without company authorization was a violation of company policy. Moreover, Westar Energy did not authorize its name to be included in the Panel Intelligence report.

We also believe you should be aware that Mr. Maddox does not hold a position at Westar Energy that is comparable to the executive and officer positions held by four of the panelists who participated in the panel discussion. The position held by Mr. Maddox is Manager, Engineering at Westar Energy’s Jeffrey Energy Center. He reports to the person responsible for day-to-day management of the plant. Mr. Maddox is neither a Westar Energy officer nor a member of Westar Energy’s senior management team.

In addition to the statements in the Panel Intelligence transcript, I understand that Mr. Maddox may have made additional statements to others that put your company’s product in a negative light. Westar Energy in no way endorses any of the statements made by Mr. Maddox or any of the research that he may have claimed to conduct as support for any of the statements.”

Fuel Tech believes you deserve to know the truth. The full letters from Mr. Breen and Mr. Sterbenz are posted on our website at [www.ftek.com](http://www.ftek.com).

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